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USE OF THE CITIBANK (MASTERCARD) CREDIT CARD IN NEX STORES

**Background.**

Effective 1 March 1996, Appropriated fund (APF) activities will commence using the CITIBANK MasterCard for small purchase actions in certain Non-Appropriate (NAFI) transactions. The intent is to simplify the transaction and to reduce paperwork and accounting complexities. Rather than Purchase Orders and BPA's, APF activities will use the MasterCard, much in the same manner as any walk-in customer, in our Navy Exchange retail stores.

**Procedures.**

Procedures may vary at each APF activity using the CITIBANK credit card, but the principles are the same - they will all use the CITIBANK MasterCard credit card to pay for the goods purchased. Some variations of procedures are as follows:

- The authorized card holder enters a NEX retail store; picks out what is needed; identifies the transaction as an APF purchase at the checkout by showing the Government MasterCard card; and the sale is rung up as a normal credit card sale, less 10% for APF discount.

- \* The buyer may or may not have additional documentation, but all we require is presentation of the credit card.

- \* A register receipt is provided to the customer.

- \* If the authorized card holder is a local national, such individual must present the government credit card, as issued in their name, with a valid NSA ID card to the NEX Security representative at the ID Checking Station. X

Personal shopping and official APF shopping may not be combined at the same time.

- The authorized card holder sends somebody to pick up NEX items to be purchased by the credit card system. The pick-up person does not carry the credit card. In this case, the card holder will generate paperwork (BPA, 1155, etc) to indicate what is to be purchased and write the MasterCard card number on the paperwork.

- \* The buyer picks out the merchandise and presents the paperwork to the check out person indicating it is a APF MasterCard card transaction.

- \* At the checkout, the transaction is handled as a normal credit card sale, without the card. The clerk will have to punch in the credit card number for MasterCard authorization, rather than swipe the card through the credit card verifier.

- \* The sale will be rung up as a regular credit card sale minus the 10% APF discount.

- \* A register receipt will be provided to the customer.

- \* If the customer is not an authorized patron, the APF paperwork with appropriate NSA ID card will suffice as entry authorization.

- \* Personal shopping is not permitted. Only items listed on the APF paperwork may be bought.

Managers at each NEX site should coordinate with APF customers regarding use of the MasterCard card in the NEX and documentation requirements/recognition.

In order to protect the tax-free shopping environment of the Navy Exchange as provided for in the SOFA, any local national who obtains access to the Navy Exchange by this instruction must limit their shopping to the express purpose of the government purchase. Any local national observed "browsing" or shopping in areas of the store unrelated to their government authorized purchase will be asked to leave the store immediately and such incident will be reported to their command, and NSA, for appropriate action.